

Medicaid Information Bulletin



November 2000

Visit the Utah Medicaid Program on the World Wide Web: www.health.state.ut.us/medicaid

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00 - 102 **Clinically Based Computer Auditing Program for Claims Payment: Laboratory** Services

REQUIRED FOR

Providers of Laboratory Services

This bulletin is available in editions for people with disabilities. Call Medicaid Information: 538-6155 or toll free 1-800-662-9651.

00 - 102 Clinically Based Computer Auditing Program for Claims Payment: Laboratory Services

Effective for claims with a date of service on or after November 15, 2000, a clinically based computer auditing program will be implemented as part of the Medicaid Management Information System. Highlights of the program are:

- It allows enhanced automation and evaluation of claims.
- It is based on accepted industry standards and guidelines to verify the coding accuracy of professional
- It identifies appropriate coding of procedures eligible for reimbursement.
- Payment for services will be more consistent and
- Some state-specific editing will more fully support Medicaid policy.

Similar programs are already in use locally by some commercial third party payers.

Current policy and/or initial review processes for services requiring prior authorization, for procedures considered cosmetic, experimental or unproven, and for the use of unlisted or nonspecific procedure codes will not change.

Policies Supported by the Clinically Based Computer **Auditing Program**

The computer auditing program supports the Medicaid policies listed below:

1. New and Established Patient Codes

Medicaid policy requires patients to be identified as new or established. Information is on file for three years. If an inappropriate code is used, the system will add the appropriate code and pay the claim.

2. Age

For age specific procedures, the patient's age must be within the designated range. Age conflict is identified when a patient's age is outside the designated age range for the procedure. A line may be added to the claim with the appropriate code, and payment will be made.

3. Gender

For gender specific procedures, the patient's sex must be appropriate. Gender conflict is identified when a patient's sex does not match the gender required for the procedure. A line will be added to the claim with the appropriate code, and payment will be made.

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Medicaid Information

- Salt Lake City area, call 538-6155.
- In Utah, Idaho, Wyoming, Colorado, New Mexico, Arizona and Nevada, call toll-free 1-800-662-9651.
 From other states, call 1-801-538-6155.

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by FAX: 1-801-536-0476 by mail to: Division Of Health Care Financing Box 143106, Salt Lake City UT 84114-3106

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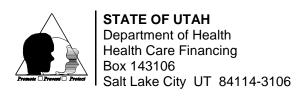
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ADDRESS CORRECTION REQUESTED

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Provider Specific Policies Supported by the Clinically Based Computer Auditing Program

Implementation of the computer auditing program affects coverage of dental, lab, physician and anesthesiology services. Provider specific bulletins are being issued separately to dentists and providers of physician services.

These bulletins are available on the World Wide Web at www.health.state.ut.us/medicaid/html/provider.html

Laboratory Services Manual Updated

SECTION 2, LABORATORY SERVICES, of the <u>Utah Medicaid Manual for Laboratory Services</u>, has also been updated. The following statement is added to Chapter 3, LIMITATIONS, on page 9: "Inappropriately billed codes will either be denied or rebundled to the appropriate panel." The clarification is effective for claims with a date of service on or after November 1, 2000.

Laboratories who want a copy of SECTION 2 with this revision should use a Medicaid Publication Request Form or contact Medicaid Information. \Box